

In the Council Chambers of the Showers City Hall on Wednesday, April 1, 2009, at 7:30 pm with Council President Andy Ruff presiding over a Regular Session of the Common Council.

COMMON COUNCIL
REGULAR SESSION
April 1, 2009

Roll Call: Mayer, Piedmont-Smith, Rollo, Ruff, Sandberg, Satterfield, Sturbaum, Volan, Wisler

ROLL CALL

Council President Ruff gave the Agenda Summation

AGENDA SUMMATION

There were no minutes to be approved at this session.

APPROVAL OF MINUTES

Councilmember Sandberg mentioned that the Herald Times newspaper had wonderful articles in the paper about current events and activities helping the hungry and homeless. She also noted the Drop Out Prevention Summit involving organizations that offer support to help keep students in school.

REPORTS:
COUNCILMEMBERS

Councilmember Mayer mentioned the passing of local attorney Fred Gregory and said he would be missed by this community. He also thanked the city landscape crew for the work they've done in getting ready for spring and summer.

There were no reports from the Mayor or other City Offices at this meeting.

MAYOR and CITY OFFICES

Councilmember Ruff, Metropolitan Planning Organization (MPO) council representative gave a report of a recent action in which there was major discussion in MPO Policy Committee concerning a proposal by INDOT to use federal funds to purchase a piece of property in Monroe County for right-of-way access for the proposed I-69 extension. Since there was no reason to bring this up as an agenda item, he said many on the MPO felt that INDOT was trying to use this situation as an opportunity to get acceptance of the proposed I-69 extension. The MPO Policies Committee decided to reject INDOT's request for use of federal funds.

COUNCIL COMMITTEES
• Metropolitan Planning
Organization (MPO)

Holly McLaughlin, Carly Serlin, Sacha Rose and Annie Crist, Indiana University School of Social Work students, spoke to the current state policy regarding sex education in which school systems that teach "abstinence only" sex education receive federal funding while schools that teach more comprehensive sex education are denied the funding. They said this group was gathering information and support regarding a change in the current policy. She added that research had proven that abstinence only education did not work, while comprehensive sex education, which includes abstinence as a method, did work. They added that five bills were introduced in the state legislature, all of which died when they were not heard in committee. They asked for support of a comprehensive sex education policy for the state in the next legislative session.

PUBLIC INPUT

Carol Polsgrove expressed concern about the rumored closing of the Bloomington Adult Community Center, to which President Ruff noted that this item was actually on the agenda and therefore would have to be taken up at that time.

Julian Gruber spoke about a course at IU called Human Rights And International Studies. She said her concern was access to affordable medicine in Africa and asked for the public to be more aware of what happens with the pharmaceutical companies.

It was moved and seconded that Andrew Davis and Matthew Laherty be appointed to fill vacancies on the Sustainability Commission. The appointments were approved by voice vote.

BOARD AND COMMISSION
APPOINTMENTS

It was moved and seconded that ORDINANCE 09-03 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 5-1-3. It was moved and seconded that ORDINANCE 09-03 be adopted.

LEGISLATION FOR SECOND
READING

ORDINANCE 09-03 APPROVING THE ISSUANCE OF BONDS OF THE DEPARTMENT OF PUBLIC PARKS OF THE CITY OF BLOOMINGTON, INDIANA IN AN AMOUNT NOT TO EXCEED \$6,500,000 TO FINANCE ACQUISITION AND IMPROVEMENT OF CERTAIN PARK FACILITIES SPORTSPLEX AT 1700 WEST BLOOMFIELD ROAD)

Mick Renneisen, Director of Parks and Recreation, said this ordinance concerned the acquisition of Sportsplex by Parks and Recreation. He described the facility, its usage and its location, and said this would be an opportunity for the city to consolidate resources, provide quality health and wellness and sports and recreation programs in a way that would supplement what the Parks and Recreation Department is already doing. He said this facility was unique in its price point, capacity, and access. The facility provided a large indoor sports and recreation venue that was not available elsewhere, and therefore the loss of the facility would mean that the current teams, programs and users would be without a facility. He added that this plan had been discussed with staff, the Board of Parks Commissioners and the public, and was studied by an independent consulting firm that concluded the price and financing was feasible. Renneisen also reviewed the potential income that the facility could derive along with the expense categories. He added that Jared Jeffries, professional basketball player and Bloomington native made a \$25,000.00 donation and committed to annual fundraisers, and would continue to do business through the Parks and Recreation Department. Renneisen reviewed the bus route and access into the parking lot and driveway that would serve this facility. He reminded the Council that this was not a tax based bond nor a general obligation bond, but rather a revenue bond in which revenue from the facility would support the debt service and operational expenses.

Councilmember Rollo said that the revenue projection was speculative and asked if a drop in real income that would accompany the current recession would produce a proportionate drop in demand in for these services. In other words he wondered if there would be enough discretionary income to support this fee-based service?

Renneisen reminded the Council that this would not be a fitness club but would offer many more recreational and wellness activities. He said he hadn't seen fee based services drop in recessionary times, but that he had accounted for the potential of less recreational spending on the part of the public by assuming 27% less income.

Tom Guevara, Consultant of Crowe Horwath responded that he did not have the data to adequately answer that question and predict people's future choices for discretionary spending.

Councilmember Sandberg asked, in light of the Green Building Ordinance affecting city-owned buildings, about the feasibility of installing solar panels in the Sportsplex. Renneisen said the assessment indicated it would cost \$320,000.00 for installation and the payback for the investment would take 26 years.

Councilmember Wisler asked about a discrepancy in the financial statement which Renneisen said was due to the Subway shop, a private food business located in the Sportsplex whose income and expenses were removed from the financial reporting.

Wisler asked if the income projection was conservative to which Renneisen said for the most part conservative estimates were assumed in the projections.

Councilmember Piedmont-Smith asked if the Sportsplex would close if the City did not purchase it. Renneisen said the sellers would have to answer that. He also said it could be sold for another purpose and therefore lost for recreational opportunities. Piedmont-Smith asked about the profit and loss of the current ownership. Renneisen said the profit and loss was not relevant to this because private ownership and government ownership had different variables, and operational costs were different. She expressed concern because the current owners lost money and questioned whether that would happen to the city as well.

Councilmember Volan asked how any surplus revenue would be spent and Renneisen said it would be used for any number of improvements, additions or underwriting memberships. He also asked if the facility was underused, to which Renneisen said it is heavily used in the evening but less so during the day which was typical for recreational facilities. Volan also asked how much business would increase due to the City's ownership. Renneisen said some of the senior citizen programs would be enhanced, as well as new partnerships for use during the day.

Councilmember Sturbaum asked about the bus service traveling into the parking lot to the building. Renneisen said not taking the bus into the parking lot wasn't just a matter of space for bus turning, but rather the time it added to the schedule to travel in and out of the parking area. Sturbaum suggested that a stoplight would facilitate pedestrians crossing the street to the bus stop and assist traffic in and out of the facility.

Ruff asked if there was any more room for negotiation and perhaps repairs at the expense of the seller. Renneisen said that the inspection report had been completed, but changes to the terms would not be considered until the Council had taken action. Other than asking for considerations from the seller based on the inspection report, he said there really was no more room for negotiation on the price.

Ruff asked if the criminal problems of the current owner could lead to forfeiture or action taken against this property. Renneisen said that had been resolved as contained in correspondence from the United States Attorney's Office saying that the sale would not be challenged.

Rollo asked about the financial statements and whether the current owner operated at a loss, and whether the City could operate this more efficiently than a private owner. Renneisen said since private sector goal is to earn a profit and government goal is not to earn a profit, there were two totally different goals. Rollo also asked if there were concerns about increasing the debt load of this municipality and whether it could affect future bonding capabilities. Mike Trexler, Controller, said it would not.

Wisler, who asked if there was a financial statement from 2008, was told that there was not complete data to report, but had been told that revenue in 2008 exceeded the revenue in 2007. He also asked about comparables for assessing value.

Travis Vencel, appraiser said that five comparables from the state of Indiana and a list of additional other comparables from other states were used.

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Piedmont-Smith asked about the usage of the Adult Community Center. Renneisen said the use had been slowly declining because of the building limitations, and in collaboration with the Advisory Council began to explore options for an older adult center. One suggestion was to build a recreation center for this population. However, with limited resources, it was not feasible to build. However, many of the services in the BACC as well as services from other facilities could be relocated to the Sportsplex. Additionally, the city was approached by a potential lessee for the building.

Sandberg mentioned a member of the Silver Sneakers who spoke to the Council in support of the BACC move to the Sportsplex and those members who used health insurance benefits to finance their Sportsplex membership. She also expressed her support for multiple age groups using this facility together.

Volan asked if buses could stop on the street and be used as a blocker for pedestrians crossing the street. Renneisen said it would need to be answered by transit authorities. He also asked if income fell short, what programs would be cut. Renneisen said there were 1000 programs and that question was difficult to answer, but added that his department was constantly making shifts and adjustments as participation changed.

Public comment:

Jack Cond asked about the cost of full time employee expense in the acquisition of the Sportsplex

Alice Titus-Oestrich, who identified herself as over 50 years old, was concerned about the very small percentage of those 50 and over who were solicited for the survey which helped determine the purchase of the Sportsplex and the move of the BACC there. She said that the downtown location of the BACC in proximity to other services and facilities made it a more desirable location than the Sportsplex location. She said she supported the purchase of the Sportsplex only if the city would support its 50 and over citizens by maintaining the downtown Bloomington Adult Community Center

Craig Hane said this purchase would be good for the city if the price was much lower, and the business plan was based on assumptions that could not be substantiated and therefore was too limited. He said the wise thing to do with this property would be to wait and if it was in trouble, then allow it to go into foreclosure, and then the city could buy it at a lower cost.

Charlotte Zietlow, former City Council Member, said it was important that the City was finally interested in serving youth with a facility on the west side. She also said the city had an opportunity to purchase a building that had been appraised at considerably more than the purchase price which would be paid for with revenue bonds which will not obligate the public. She said she urged the council to support this purchase and the provision of the services it will be providing

Viola Taliaferro said all people needed to be considered in this decision, and talked about the need for physical fitness. But she said the real need in this was for the children. As a judge she said she rarely saw a child in trouble who had been involved in extracurricular activities. She said this facility would help serve the youth in the community as well as everyone else. She also said that this wasn't about a building, but about people and this if the city can build trails, bridge, and parks, then the city can't miss the opportunity to have fitness activities for the entire community. Robert Rogers for Fathers Against Non-support said this

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was an ideal venue for families, for fitness and recreation. He asked that this facility be made available for all families and their children.

Mary Runnells for the Cutters Soccer Club said it would be a great loss to then if soccer couldn't be continued at the Sportsplex. She said their membership numbers were up including the scholarships offered to low income families, which was something she would like to expand under the city ownership of the property. She added that this was a good idea and she supported it.

John Carter, Board of Park Commissions said the board unanimously supported this resolution.

Ruff talked about whether this would be a public benefit. Renneisen said with the listing of free and low cost programs he thought it would be.

Piedmont-Smith asked how current staff could be used to run the Sportsplex without interrupting current services. Renneisen said it is because his department is constantly reallocating resources based on need. When an activity ceases to be popular and numbers decrease he reallocates resources to those activities on the rise.

Volan asked about the real estate comparables that came from California which he said may not be accurate since it was at a time and locations which was part of the real estate bubble and problem and wondered if there were other real estate comparables. Travis Vencel said 5 sales in Indiana were used and out-of-state sales were used to determine the accuracy of the local comparables. He said there is no national data base to use as comparisons.

Rollo said there was a sports facility for sale in Sellersburg at \$35.00 per square foot as compared to this price which will be \$60.00 per square foot. He questioned whether the services provided by the Parks and Recreation Department were actually available to the 25% of the community that falls below the poverty level.

Renneisen said that there was an array of facilities that were free or low cost. He said the purchase of this property will allow increased access and additional activities offered at various price points including free services.

Final Comment:

Wisler said this wasn't about buying a building, but rather about purchasing a successful business with a stable recurring revenue stream. He said this was a great financial purchase as well as a great strategic purchase. He said it was a vibrant facility that the city can enhance, and that it would be a tremendous value to the city. He thanked the staff for their work in pursuing this and also for the excellent and very detailed preparation of material for the council.

Sandberg thanked Wisler for his free market analysis of this purchase. She recognized all of those who commented on the human factor in this purchase and the addition this will make to the community quality of life. She thanked the staff for the scrutiny in their consideration of this. She said it had her whole-hearted support.

Satterfield said he and the council had received volumes of comments about this ranging from this would be a bad business decision to great support.

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He asked that future attention be paid to transportation and infrastructure support transportation in order to maximize access. He said still had concerns about the dispersal of adult activities and the effect on their community, but believed those would be addressed. He said he was voting on the viability of the proposal, which he believed it was, and would support it.

Sturbaum said this proposal had been very thorough and that the council did a wonderful job reviewing it. He said he hoped the stoplight would be added. He also said he thought the community would get better use from this because it was in public hands.

Rollo thanked Renneisen and his staff for all of the information they provided, but said he was not confident in the model that projected increased membership and fees during difficult times. He had many concerns about the current national financial situation, and did not believe that Bloomington would be immune. He said his analyses of various factors caused him serious concern. He said it was a difficult vote for him. He said the comments that come to the council had trended negative, but he said he would vote for it because of the consensus of the council and the comments from his colleagues.

Mayer talked about the tour he took at the Sportsplex and his fascination with the kids playing basketball and how wonderful he thought it was. He said this was about an opportunity that could be lost if not acted on now. He added that this could bring people of all ages together, and he was very supportive of this proposal. Even though he understood people's concerns about the financial situation and making this type of financial decision, he thought about Franklin Delano Roosevelt, who during the worst depression in history, made a commitment in people and built the national parks. Mayer said the issue was about investing in people, which is comparable to this situation, and in looking at that history he said the council would be doing the right thing.

Volan said he was concerned about the infrastructure and transportation to the Sportsplex. He also was concerned about the rapid pace the council had to consider this. He said last week he recommended that the City not buy the Sportsplex, and was looking for a reason to buy it. Now, he said he will vote for this proposal, and was looking for reason not to vote for it. He said he was doing so against his better judgment because it was a tacit endorsement of sprawl, because it was not a good investment in this economy, and because he thinks it is overpriced. However, because of the Parks and Recreation Department, this facility could be well run, and because of the staff, he will support this proposal.

Piedmont-Smith said this was an issue of fiscal responsibility and therefore had many concerns with this proposal. She also said she had concerns about transportation and location of the facility. She said she supported the programs, and the award-winning staff who would do an excellent job managing the facility. Despite the positive considerations, she said her campaign pledge to be fiscally responsible would cause her to vote no.

Ruff said he thought the council discussion was helpful to the public in understanding the issues. He said he was also very impressed with the great diversity and different types of people who used the Sportsplex.

ORDINANCE 09-03 received a roll call vote of Ayes: 8, Nays: 1 (Piedmont-Smith).

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It was moved and seconded that the following legislation be introduced and read by title and synopsis only. Clerk Moore read the legislation by title and synopsis.

LEGISLATION FOR FIRST READING

APPROPRIATION ORDINANCE 09-02 TO SPECIALLY APPROPRIATE FROM THE GENERAL FUND EXPENDITURES NOT OTHERWISE APPROPRIATED (Appropriating Funds from the General Fund for Additional Design Services for Improvements at the Atwater and Henderson Intersection)

APPROPRIATION ORDINANCE 09-02

ORDINANCE 09-05 TO AMEND TITLE 4 OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "BUSINESS LICENSES AND REGULATIONS" Re: Replacing Section 4.04.110 (Lunch wagon) and Chapter 4.16 (Itinerant Merchants) with Chapter 4.16 (Itinerant Merchants, Solicitors, and Peddlers)

ORDINANCE 09-05

ORDINANCE 09-06 TO AMEND TITLE 15 OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "VEHICLES AND TRAFFIC" (Changes in Provisions Regarding One-Way Alleys, Various Parking Regulations, Crosswalks, and Penalties)

ORDINANCE 09-06

There was no public input at this time.


PUBLIC INPUT


The meeting was adjourned at 11:35 pm.

ADJOURNMENT

APPROVE:

ATTEST:


Andy Ruff, PRESIDENT
Bloomington Common Council


Regina Moore, CLERK
City of Bloomington